



**Federal Election Commission
Washington, DC 20463**

March 26, 2007

Keith Davis
228 S. Washington Street
Alexandria, VA 22314

Re: ADR # 351
Republican State Committee of Delaware and Thomas J. Shopa, Treasurer

Dear Mr. Davis:

Enclosed is the signed copy of the agreement resolving the referral initiated on September 1, 2006 with the Federal Election Commission ("FEC/Commission") against Republican State Committee of Delaware and Thomas J. Shopa, Treasurer ("Respondents"). The agreement for ADR 351 (RR 06L-23) was approved by the Commission on March 21, 2007 – the effective date of the agreement.

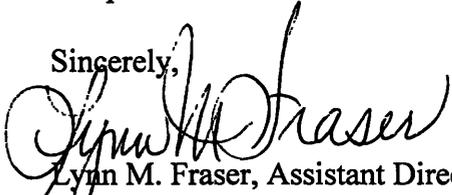
The Commission received the civil penalty assessed in the agreement. Note that paragraph 6 of the agreement specifies that Respondents shall comply with the term (a) of this settlement within twelve months of the effective date of the agreement. Please forward to this office, a statement confirming Respondent's compliance with term (a) listed in paragraph 6 of the aforementioned agreement. The letter should note the date on which Respondents satisfied the terms listed in paragraph 6.

As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the referral, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate

your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Lynn M. Fraser, Assistant Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

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Federal Election Commission
Washington, DC 20463

Case Number ADR 351
Source: RR 06L-23
Case Name Republican State
Committee of Delaware

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, ("FECA") and resolve this matter, the Commission entered into negotiations with Keith Davis, representing the Republican State Committee of Delaware and Thomas J. Shopa, in his official capacity as Treasurer ("the Committee" or "Respondents"). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures ("ADR") is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division ("RAD") referred Respondents for failing to disclose all financial activity on their 2004 30 Day Post-General Report. Respondents filed the original 2004 30 Day Post-General Report on December 2, 2004. Respondents filed an Amended 30 Day Post-General Report that disclosed additional disbursements totaling \$79,004.62 on May 6, 2005. Respondents filed a second Amended 2004 30 Day Post-General Report disclosing additional disbursements on April 27, 2006. The aggregate of additional disbursements for the two amended reports was \$81,584.05.
4. The FECA requires treasurers of political committees to report all financial activity, including all disbursements. 2 U.S.C. §§ 434(a)(1), 434(b)(4), 11 C.F.R. §§ 104.1, 104.3(b).
5. Respondents acknowledge an inadvertent violation of FECA. Respondents contend that the increased disbursements were the result of two transfers from the federal to

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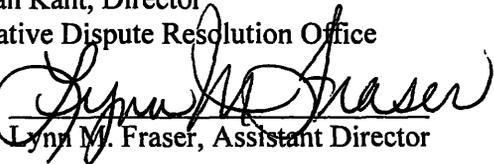
the non-federal accounts. The individual preparing the report entered the two transfers in the same manner that she previously entered non-federal to federal, only this time the transfers did not go through electronically and, thus, were not shown in the data. She did not realize the transfers were not reflected because her reconciliation appeared to balance.

6. Respondents, in an effort to avoid similar errors in the future, did an audit of the Committee's financial activity from December 2003 to the present, retained the services of a consultant with campaign finance expertise, and put new compliance procedures in place. Respondents agree to: (a) send a representative to a FEC reporting seminar within twelve months of the effective date of this agreement; and (b) pay a civil penalty of \$1,500.
7. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection, or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms within thirty (30) days from the effective date of this agreement.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 351 (RR 06L-23), and effectively resolves the issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

FOR THE COMMISSION:

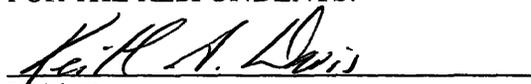
Deborah Kant, Director
Alternative Dispute Resolution Office

By:


Lynn M. Fraser, Assistant Director

3/20/07
Date Signed

FOR THE RESPONDENTS:


Keith Davis

Representing Republican State Committee of Delaware and
Thomas J. Shopa, Treasurer

3/5/07
Date Signed